

## Article - Education

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§15–106.6.

- (a) (1) In this section the following words have the meanings indicated.
- (2) “Fund” means the Higher Education Investment Fund.
- (3) “Public senior higher education institution” has the meaning stated in § 10–101(m) of this article.
- (4) “Trust Account” means the Tuition Stabilization Trust Account.
- (5) “Tuition” means the charges and fees approved by the governing board of a public senior higher education institution which are required of all undergraduate resident students by the institution as a condition of enrollment regardless of the student’s degree program, field of study, or selected courses.
- (b) (1) There is a Higher Education Investment Fund.
- (2) The purpose of the Fund is to:
  - (i) Invest in public higher education and workforce development; and
  - (ii) Keep tuition affordable for Maryland students and families.
- (3) The Fund is a special, nonlapsing fund that is not subject to § 7–302 of the State Finance and Procurement Article.
- (4) The Treasurer shall hold the Fund and the Comptroller shall account for the Fund.
- (5) The proceeds of the Fund shall be invested and reinvested.
- (6) Any investment earnings shall be paid into the Fund.
- (7) The Fund consists of:
  - (i) Money appropriated in the State budget for the Fund; and

(ii) Any other money from any other source accepted for the benefit of the Fund.

(8) The Commission shall administer the Fund.

(9) Money in the Fund may be expended only:

(i) To supplement General Fund appropriations to research institutes of the University System of Maryland and public senior higher education institutions;

(ii) For capital projects for research institutes of the University System of Maryland and public senior higher education institutions;

(iii) For workforce development initiatives administered by the Commission; and

(iv) For initiatives to address higher education needs related to the United States Department of Defense Base Realignment and Closure process.

(10) Expenditures from the Fund may be made only in accordance with an appropriation approved by the General Assembly in the annual State budget.

(c) (1) Within the Fund there is a Tuition Stabilization Trust Account.

(2) (i) The Trust Account is established to retain revenues for stabilizing tuition costs for resident undergraduate students.

(ii) In years of increasing corporate tax revenues that are allocated to the Fund under § 2–613.1 of the Tax – General Article, funds shall be deposited into the Trust Account.

(iii) Funds in the Trust Account shall be used only to stabilize tuition at public senior higher education institutions.

(iv) It is the goal of the State that any increase in resident undergraduate tuition and academic fees at public senior higher education institutions in any given year should be limited to a percent not to exceed the increase in the 3–year rolling average of the State’s median family income.

(3) The Trust Account consists of:

(i) Money appropriated in the State budget for the Trust Account; and

(ii) Any other money from any other source accepted for the benefit of the Trust Account.

(4) A balance of between 1% and 5% of resident undergraduate tuition revenues received by public senior higher education institutions in the prior fiscal year should be maintained in the Trust Account.

(5) Money in the Trust Account may be expended only to supplement General Fund appropriations to public senior higher education institutions for the purpose of stabilizing tuition costs of resident undergraduate students.

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